

9. Students

Introduction and aim

Students are beneficiaries and stakeholders of higher education. When selecting a provider and course, students increasingly seek to make well-informed choices, especially in a market where higher tuition fees apply. More data to inform student choice, a demographic downturn, and rivalry between providers means that competition to recruit students has increased. Governing bodies need to be alert to these trends. Following enrolment, governing bodies should monitor student retention, progression rates and, finally, graduate destinations.

Topics covered

1. Students as stakeholders
2. Governing bodies
3. Codes of governance
4. Regulation of higher education
5. The Office for Students
6. Assurance
7. Strategic plans
8. Key performance indicators
9. Information for applicants
10. UNISTATS
11. National Student Survey (NSS)
12. Governing bodies and the NSS data
13. The student experience
14. Student well-being
15. Competition to recruit students
16. The financial imperative to recruit
17. Investing to attract new students
18. Marketing the provider and its courses
19. The failure to recruit
20. Retaining students
21. Students' unions
22. Students' union and the governing body
23. Student complaints
24. Graduate outcomes
25. Conclusion
26. Questions to review.

1. Students as stakeholders

For many providers, teaching students is their main activity and their largest source of income. As the historic reason why many providers were originally established and offering public and private benefits, teaching is a core activity of higher education. Students are both beneficiaries of, and contribute to, the vitality of a provider's academic community. They are sometimes referred to as 'co-producers'. As a key group of stakeholders, students have individual and collective interest in the educational provision offered by the provider and its quality.

2. Governing bodies

Governing bodies are expected to provide oversight and act as stewards of the provider. A provider's immediate and longer-term success in attracting students depends on its reputation and the perceived quality of its academic offer. To help assess these areas, governors should listen to the student voice, including formal feedback received from students; seeking assurances from managements about the quality of the student experience, and any planned improvements.

3. Codes of governance

The [Higher Education Code of Governance](#) states that a governing body should protect 'the collective student interest through good governance'; noting a high-quality student experience is a determinant of institutional sustainability and is therefore a core governing body responsibility, which it shares with the wider institutional community¹. Likewise, the [Scottish Code](#) emphasises that the governing body has responsibilities to a wide range of stakeholders, including students².

4. Regulation of higher education

Higher education providers are regulated by a funding council in [Scotland](#) and [Wales](#), by the [Department for the Economy in Northern Ireland](#) and by the [Office for Students](#) (OfS) in England. Each body acts as the regulator for its jurisdiction and has developed its own approach to regulating how providers should engage with students.



5. The Office for Students

The primary aim of OfS 'is to ensure that English higher education is delivering positive outcomes for students – past, present, and future'.³ The OfS seeks to protect the student interests: 'because students are making one of the most expensive purchases of their life and, for many, incurring significant debt to do so; they are one-shot players (they will never have done this before); they are dealing with large powerful experienced institutions and getting it wrong may damage their future life chances. They are vulnerable consumers and it is right that they are protected.'⁴ The focus of OfS and the associated requirement for academic assurance is that attention should be focused on the student interest and the quality of the educational experience⁵.

6. Assurance

In satisfying the relevant code of governance, meeting the requirements of the provider's regulator and safeguarding the student needs, governing bodies should seek assurance that:

- student interests are reflected in the provider's strategic plans;
- appropriate and accurate information is available to potential students;
- students benefit from a high-quality student experience;
- systems of student support are effective;
- processes are in place to deal with student complaints; and
- high completion rates and good graduate outcomes are secured.

The governing body will also need to pay attention as to the implications of recruitment and retention of students with regard to financial sustainability.

7. Strategic plans

The provider's strategic plans should give sufficient attention to the student interest, by typically discussing recruitment, the quality of the learning experience, and levels of student satisfaction. Plans may also cover the provision of student support, including student well-being. Plans for specific academic areas or activities may be detailed in sub-strategies, including a more detailed academic or teaching and learning strategy.

8. Key performance indicators

To enable governors to monitor progress in achieving planned outcomes, the strategic plan will normally contain a set of key performance indicators (KPIs) and associated thresholds. Typically, KPIs relating to students may include the number of student applications received; conversion

rates (e.g. offer of places and enrolments to applications received), student enrolments by level and mode of study; rates of progression and completion; levels of student satisfaction and graduate outcomes. Governors should challenge the executive if the KPIs suggest areas of weak performance and, if judged appropriate, require corrective action to be taken.

9. Information for applicants

In England the promotion of a 'market' for higher education incorporates the premise that students should have sufficient data to make an informed choice when selecting where and what to study. As a consequence, increasingly amounts of data are now available for anyone who is thinking about entering higher education to help inform their choice of provider and course.

10. UNISTATS

Providers in England are expected to make data available relating to the organisation (Wider Information set), as well as course level information (Key Information set - KIS). The official website for comparing UK higher education course data is operated by [UNISTATS](https://www.unistats.ac.uk). For individual courses, the UNISTATS website offers data about student satisfaction, employment and accreditation, continuation rates and degree results, entry information and course information and fees. The data found on the UNISTATS website is drawn from a range of sources, including the [National Student Survey](https://www.unistats.ac.uk/national-student-survey) (NSS).

11. National Student Survey (NSS)

Introduced in 2005, the NSS is an annual survey administered by [Ipsos MORI](https://www.ipsos.com), an independent market research agency, covering all publicly funded providers across the UK. The survey gathers information on the quality of the student experience from mainly final year undergraduate students. The survey asks students to complete 27 questions organised into eight themes.

12. Governing bodies and the NSS data

Results from the NSS can be used to identify areas where student satisfaction is relatively low (assessment and feedback often falls into this category) and to make comparisons between providers and courses. The governing body should review the results of the NSS annually, and seek assurance that the executive team is taking appropriate action to address areas of weakness.



13. The student experience

The results of the NSS offer one source of information about the 'students' experience' of studying with the provider. While the 'learning experience' is at core of the student experience, other elements of support and provision are also important. Full-time undergraduate students may see the provision of student accommodation, campus catering and sport facilities as important; while post-experience students undertaking part-time and flexible study may place less value on these elements, and put greater emphasis on the ability to study at a time and place of their choosing. Governing bodies should consider how the provider supports students across different levels and mode of attendance⁶.

14. Student well-being

Evidence of a growing problem with student mental health, including the number of reported student suicides have increased concerns about student well-being⁷. A growing recognition that some students find the transition into higher education and the move away from their home environment aged 18/19 challenging, together with the pressures (e.g. financial) that many students experience, means that providers are now giving greater attention to the well-being of students. Governing bodies need to be aware of the issues around student well-being and seek assurance that the provider's policies and practices effectively support those students experiencing difficulties.

15. Competition to recruit students

A downward demographic trend of young people, allied with the expansion plans of some providers is leading to increasing competition between providers to recruit students wishing to enter higher education. The evidence suggests that, in particular, some 'low tariff' providers have found it challenging in the last few recruitment cycles to secure their planned student numbers. Some providers have experienced year-on-year falls in the number of new entrants they have been able to recruit⁸. Given the high stakes involved, the intensity of competition shows few signs of abating.

16. The financial imperative to recruit

As funding is tied to the student (either 'indirectly' through public grant funding to the provider or by the payment of tuition fees by students), recruiting and retaining students is crucial to the provider's financial position. A failure to secure budgeted student numbers and income (as a result of poor

levels of recruitment or retention) may lead to financial distress, and, if repeated, over successive years ultimately threaten the provider's sustainability⁹.

17. Investing to attract new students

Currently, most providers are engaged in increasingly intense campaigns to attract students. At the present time, there is insufficient student demand to enable all providers to fill their courses. The pressure on providers to secure their desired student numbers has seen more resources being directed towards marketing, improvements to their built environment (e.g. new teaching and learning spaces and student accommodation) and other student-focused investments (e.g. IT infrastructure).

18. Marketing the provider and its courses

Marketing the provider and its courses, including running 'open' days to encourage students (and their parents) to visit the provider's premises and campuses, is now an important part of student recruitment. Some providers also offer inducements to students to accept a place on their course. Concerns have been expressed as to growing use of 'conditional unconditional offers' to entice students to nominate the institution as their first choice¹⁰.

19. The failure to recruit

Most higher education courses only enroll students at the beginning of the autumn/Michaelmas term. The inability to recruit to planned student numbers cannot normally be redeemed until the next recruitment cycle. As a consequence, the failure to secure planned student numbers and the associated loss of income, may require the provider to instigate a cost-reduction strategy in order to balance the budget. Given that staffing is the largest cost for most providers, this may result in early retirements or redundancies.

20. Retaining students

Once students have enrolled with a provider, to maximum the income received, student retention is a priority. Providers and their governing bodies should therefore pay close attention to retention and progression rates. Governors should monitor retention as well as student recruitment throughout the academic year, seeking assurances and, if necessary, action by management if concerns emerge.



21. Students' unions

The students' union (sometimes called the 'Guild' or 'Association') contributes to the student experience through offering welfare support, hosting social events and running clubs and societies. Legally most student unions are private unincorporated organisations and are not part of the higher education provider¹¹.

22. Students' unions and the governing body

Most students' union receive a block grant from the provider, which is approved by the governing body. Section 22 of the Education Act 1994 (EA94) requires the governing body to take 'such steps as reasonably practical' to ensure the union operates 'in a fair and democratic manner and is accountable for its finances.' The EA94 also requires the governing body to approve the written constitution of the union (reviewed at least every five years) and a code of practice¹².

23. Student complaints

The governing body will normally be expected to monitor annually the number of student complaints. It will also need to satisfy itself that the provider's processes for dealing with student complaints meet the external requirements placed on the provider.

24. Graduate outcomes

Although higher education offers a range of benefits, many students enter higher education for instrumental reasons: to improve their employment prospects. The UK government is placing increasing attention on graduate outcomes. Research has shown that in the past, significant differences in graduate earnings have resulted from studying with different providers, and the subject studied¹³.

25. Conclusions

Public and political concerns expressed through the media, a falling demographic in the 18/19 age group and increasingly intense competition between providers to secure student numbers are all contributing to governing bodies closely monitoring student recruitment and retention, the student experience and graduate outcomes.

26. Questions to review

- Q Do students feature strongly in the provider's strategic plan?
- Q Does the governing body annually review the provider's NSS results?
- Q Does the governing body review graduate destination data and outcomes?
- Q Is the scale of complaints made against the provider reviewed annually?
- Q Has the governing body approved a written constitution and code of practice for the students' union?



End notes and further reading

- ¹ See, Committee of University Chairs, Revised June 2018, p.8 and p.20.
- ² Scottish Code, p.3.
- ³ Office of Students, [Regulatory Framework](#), February 2018, OfS 2018.01, p.14.
- ⁴ Martin Coleman, Deputy Chair OfS, [Speech on evolution or fundamental change to governance](#), Advance HE Governance Conference, 30 November 2018.
- ⁵ Academic assurance is discussed in Governor Briefing Note 4, Academic governance and quality.
- ⁶ A recent report has raised the question of how best to support 'commuter students'. I.e. those who travel, often daily, from their permanent place of residence to their place of study. See David Maguire and David Morris (2018), [Homeward Bound: Defining, understanding and aiding 'commuter students'](#), Higher Education Policy Institute, Report 114, December.
- ⁷ For a discussion of some of the issues surrounding students' mental health, see Brown P (2016), [The Invisible Problem? Improving Students' Mental Health](#). Higher Education Policy Institute, No.88, September.
- ⁸ The Universities and Colleges Admission Services (UCAS), divides providers offering places to applicants into low, medium and high tariff providers. Given the overall number of applicants to places, there has been a tendency for applicants who might previously had been enrolled by lower-tariff providers to be offered places by a higher tariff provider, and to trade-up. As a result, a tight recruitment market has led, as a general statement, to higher tariff providers securing applicants who might previously enrolled with lower tariff providers. Some lower tariff providers have experienced difficulties in recruiting to their planned student numbers.
- ⁹ Total student income is determined by the price per student received (ie. tuition fee per capita plus any public grant funding) multiplied by the number of students. In business speak price (p) x quantity (q).
- ¹⁰ There has been an increased use of unconditional offers by providers. See Universities and Colleges Admissions Service (UCAS). Unconditional Offers – an update for 2018, July 2018.
- ¹¹ For a detail discussion of the law relating to student unions and the requirements placed on governing bodies, see Farrington D and Palfreyman D, *The Law of Higher Education*, 2nd Edition, Oxford: Oxford University Press, 2012, Chapter 9.
- ¹² Details of the Section 22 of the 1994 Education Act are reproduced at Appendix D of [Supplementary guide regarding the role of university governing bodies in relation to student unions](#), Committee of University Chairs/National Union of Students, March 2011.
- ¹³ There has been considerable discussion about graduate earnings, broken down by provider and subject and whether studying particular subjects or at specific provider offers a good economic return for the student. See, for example, Institute of Fiscal Studies (2018), [The impact of undergraduate degrees on early-career earnings](#), Research report, November.

